

# **State of Alaska FY2003 Governor's Operating Budget**

## **Department of Transportation/Public Facilities Anchorage Airport Administration Component Budget Summary**

## **Component: Anchorage Airport Administration**

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### **Component Mission**

The mission of Ted Stevens Anchorage International Airport (TSAIA) Administration component is to provide the overall airport management and leadership necessary to assure that all Airport functions are conducted in accordance with appropriate laws, regulations, policies, and procedures and in a safe, efficient and cost-effective manner.

### **Component Services Provided**

- Supervise all AIA operations/activities and develop policies to assure compliance with all laws and regulations.
- Administer marketing and public relations programs.
- Plan capital improvement projects.
- Provide engineering oversight/coordination of AIA construction activities.
- Develop environmental policy and plans to meet laws and regulations.
- Provide accounting and financial reporting.
- Manage AIA land and facilities by managing contracts for operation of airport parking facilities.
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### **Component Goals and Strategies**

To direct and coordinate all Anchorage International Airport (AIA) functions and provide administrative support to the other AIA components to meet the overall mission of operating the largest airport in the state safely, cost effectively and in a manner consistent with federal, state, and local regulatory requirements, high service standards, and sensitivity to users needs and surrounding community goals, by:

Continuing work on twenty year Airport Master Plan.

- Implementing revised Title 17 airport regulations.
- Planning for the growth in cargo operations, passengers and airport infrastructure requirements and listening to community concerns.
- Implementing the newly signed operating agreement with airlines.
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#### **Effective airport management**

- Provide accurate financial and statistical information and guidance to airport staff, tenants, and other state and federal agencies.
- Manage the real property interests, rights and privileges granted at FIA consistent with the dynamic needs of general and commercial aviation tenants, other lessees and permit holders, the traveling public and the local community.
- Plan and execute a capital improvement program consistent with the Airport Master Plan and Six-Year Capital Improvement Program
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Achieve network connectivity essential to TSAIA communications and law enforcement activities with no down time

- Plan and execute a cost effective equipment replacement schedule that is responsive to changing information technology requirements within and beyond the TSAIA local area network.

### **Key Component Issues for FY2002 – 2003**

New Title 17 regulations were promulgated by January, 2001. Technical changes have been made to boilerplate language, but several agreement formats require extensive rewriting before new contracts can be offered. At the same time, Title 17 is undergoing further revision that will result in more changes to the application process and agreement language.

The airports will continue to work with air carriers to fine-tune the new operating agreements that became effective July 1, 2001.

The International Airport System has just hired a new Controller. Both airports will work with the Controller to bring him up to speed on new operating agreements, imminent revenue bond sales to fund capital project budgets, and on rates and fees which are expected to require mid-year adjustments in January, 2002.

The terrorist attacks of September 11, 2001 and the continuing changes to airport security requirements and guidelines have impacted all levels of airport management and staff and expenses. The administrative changes associated with responding to nationwide political and economic concerns will occupy significant amounts of time, energy and resources throughout the current and budget year.

Gateway Alaska and Airport Terminal Redevelopment Program.

- Alaska Railroad Airport terminal development.
- FAA approval of Part 150 Noise Mitigation Plan and its implementation.
- Aircraft de-icing and Lake Hood discharge limits.
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## Major Component Accomplishments in 2001

- Prepared and mailed out 22 new Operating Agreements to the Airlines. Effort represented the culmination of long, challenging and time-consuming negotiations, which were considered most successful.
- USDOT awarded US-China frequencies - eight out of ten to cargo: Six UPS, one FedEx, one Northwest, and two United.
- Continued review, drafting, and negotiations with Williams Lynx Alaska Cargo Port Limited Liability Company regarding sublease to Northwest, assignment documents, transfer of ownership of improvements, leaseback, and development agreement for transient ramp.
- Initial design of modifications to AIAS Revenue System for Operating Agreement complete.
- Coordinated and planned Special Olympics support for arriving delegations and VIP's.
- Municipality of Anchorage (MOA) Assembly voted 10-0 in favor of Klatt Bogg easement purchase.
- Finalized plan and provided information update to the general aviation (GA) community regarding Lake Hood channel stabilization and lighting project. Project planned to minimize take-off channel closure. Project will be complete by November 17.
- Presentations prepared on Cargo and Passenger Marketing Activity, Master Plan and MOA Comprehensive Plan, CIP Program, revenue benefits of airport activity to the MOA, Emergency Mutual Aid successes, neighborhood relationship building, noise compatibility, and the Klatt Land Agreement.
- Sponsored Top of the World Air Cargo Summit at Alyeska. Over 200 national and international attendees participated with many compliments, including comments from the Airports Council International (ACI) that it was the strongest ACI conference on Air Cargo to date. Attendees included: President of UPS Airlines, US DOT China Agreements Negotiator, FAA Associate Administrator, air carriers, airports, industry representatives.
- Coordinated with FAA to do an expeditious overlay of a 300' x 250' gravel area at the intersection of Mike and Echo taxiways. AIA did the preparation work and FAA provided the funds for paving the area.
- Performed safety and beautification upgrade on overlook area on Pt. Woronzoff. The pullout is now being used daily by buses and the general public. Site improvement included hydro-axing brush, hauling fill, landscaping and installing signs and ballards (protective posts).
- Signed Joint Use Agreement with Kulis Air National Guard for the Airport to receive payments for Kulis's proportionate share of O&M costs.
- Identified major cost savings from ramp project by allowing stockpiling of excess base material. Contractual savings to date due to shorter haul were approximately \$11,000 with an additional \$216,000 in future savings by recycling and not having to purchase this base material for other projects.

## Statutory and Regulatory Authority

- FAR Part 108, 612
- AS 18 Health/Safety
- AS 37.15.430

## Anchorage Airport Administration

### Component Financial Summary

All dollars in thousands

	FY2001 Actuals	FY2002 Authorized	FY2003 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	3,150.7	3,269.7	3,570.8
72000 Travel	55.8	33.3	33.3
73000 Contractual	2,741.7	2,733.7	2,693.7
74000 Supplies	239.0	217.8	217.8
75000 Equipment	116.8	58.5	58.5
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>6,304.0</b>	<b>6,313.0</b>	<b>6,574.1</b>
<b>Funding Sources:</b>			
1027 International Airport Revenue Fund	6,096.1	6,266.5	6,277.6
1061 Capital Improvement Project Receipts	207.9	46.5	296.5
<b>Funding Totals</b>	<b>6,304.0</b>	<b>6,313.0</b>	<b>6,574.1</b>

### Estimated Revenue Collections

Description	Master Revenue Account	FY2001 Actuals	FY2002 Authorized	FY2002 Cash Estimate	FY2003 Governor	FY2004 Forecast
<b>Unrestricted Revenues</b>						
Unrestricted Fund	68515	61,467.0	64,879.2	68,636.9	72,533.9	84,767.9
<b>Unrestricted Total</b>		<b>61,467.0</b>	<b>64,879.2</b>	<b>68,636.9</b>	<b>72,533.9</b>	<b>84,767.9</b>
<b>Restricted Revenues</b>						
Capital Improvement Project Receipts	51200	207.9	46.5	296.5	296.5	296.5
<b>Restricted Total</b>		<b>207.9</b>	<b>46.5</b>	<b>296.5</b>	<b>296.5</b>	<b>296.5</b>
<b>Total Estimated Revenues</b>		<b>61,674.9</b>	<b>64,925.7</b>	<b>68,933.4</b>	<b>72,830.4</b>	<b>85,064.4</b>

**Anchorage Airport Administration**  
**Proposed Changes in Levels of Service for FY2003**

No service changes.

**Summary of Component Budget Changes**  
**From FY2002 Authorized to FY2003 Governor**

*All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2002 Authorized</b>	<b>0.0</b>	<b>0.0</b>	<b>6,313.0</b>	<b>6,313.0</b>
<b>Adjustments which will continue current level of service:</b>				
-Year 3 Labor Costs - Net Change from FY2002	0.0	0.0	87.8	87.8
-Transfer \$40.0 to FIA for Risk Management Costs RP 25-2-6438	0.0	0.0	-40.0	-40.0
-Transfer out PCN25-0951 and \$36.7 to Safety to aid with "Lost and Found" inquiries RP25-2-6438	0.0	0.0	-36.7	-36.7
<b>Proposed budget increases:</b>				
-Add CIP Receipt authority for 3 PFT project engineering positions	0.0	0.0	250.0	250.0
<b>FY2003 Governor</b>	<b>0.0</b>	<b>0.0</b>	<b>6,574.1</b>	<b>6,574.1</b>

## Anchorage Airport Administration

## Personal Services Information

Authorized Positions		Personal Services Costs		
	<u>FY2002</u>	<u>FY2003</u>		
	<u>Authorized</u>	<u>Governor</u>		
Full-time	49	51	Annual Salaries	2,610,943
Part-time	0	0	COLA	68,500
Nonpermanent	0	0	Premium Pay	112,980
			Annual Benefits	973,624
			Less 5.18% Vacancy Factor	(195,247)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>49</b>	<b>51</b>	<b>Total Personal Services</b>	<b>3,570,800</b>

## Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk II	5	0	0	0	5
Administrative Clerk III	3	0	0	0	3
Administrative Manager IV	1	0	0	0	1
Airport Manager Anch	1	0	0	0	1
AK Intl Airport Sys Plnr	1	0	0	0	1
Analyst/Programmer III	1	0	0	0	1
Analyst/Programmer IV	2	0	0	0	2
Asst Commissioner	1	0	0	0	1
Data Processing Mgr I	1	0	0	0	1
Dev Spec II, Option A	1	0	0	0	1
Drafting Technician III	1	0	0	0	1
Engineer/Architect II	2	0	0	0	2
Engineer/Architect IV	1	0	0	0	1
Engineering Assistant II	1	0	0	0	1
Environ Eng Asst II	1	0	0	0	1
Environmental Analyst II	1	0	0	0	1
Environmental Analyst III	2	0	0	0	2
Environmental Coordinator	1	0	0	0	1
Leasing Officer I	1	0	0	0	1
Leasing Officer II	5	0	0	0	5
Leasing Officer III	3	0	0	0	3
Micro/Network Tech II	2	0	0	0	2
Personnel Asst I	1	0	0	0	1
Planner II	1	0	0	0	1
Planner III	2	0	0	0	2
Procurement Spec I	1	0	0	0	1
Program Coordinator	1	0	0	0	1
Project Coordinator	1	0	0	0	1
Safety Officer	1	0	0	0	1
Secretary	1	0	0	0	1
Spec Asst To The Comm I	1	0	0	0	1
Tech Eng I / Architect I	1	0	0	0	1
Trans Planner I	1	0	0	0	1
Trans Planner II	1	0	0	0	1
<b>Totals</b>	<b>51</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>51</b>